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SUBJECT: MFA ON RUSSIAN AND AMERICAN ROLES IN CENTRAL ASIA

Classified By: Political M/C Alice G. Wells for reasons 1.4 (b/d).

11. (C) Summary: On November 14, MFA officials expressed to DAS Krol Russian concern that the U.S. presence in Central Asia, combined with efforts to expand NATO, gave the appearance that Russia was "surrounded" and called for the U.S. to be transparent in its actions. The GOR understood, however, that its "partners" in Central Asia acted pragmatically and would seek development assistance and energy deals with whichever countries offered them the best return. This presented an opportunity for China, which could eventually be the destination for more of the region's oil and gas. Russia was concerned about water and electricity shortages that made life harder on Central Asia's rural population, which was most at risk of influence by the "mullahs." The international economic crisis was already hitting the region's migrants, who were receiving less pay and finding it harder to get work in Russia and Kazakhstan. Russia struggled to contain narcotics from Central Asia, and would continue its efforts to try and cordon off Afghanistan through the CSTO. End summary.

U.S. Role in Central Asia

- 12. (C) In the course of a meeting on Central Asian issues, MFA Third CIS Director Maxim Peshkov and Deputy Director Sergei Nikolaev expressed to DAS Krol Russian concern about the U.S. presence in Central Asia, which, combined with the missile defense system proposed for Eastern Europe and the potential for Ukraine and Georgia to enter NATO, made it appear that the U.S. had Russia "surrounded." Nikolaev called for the U.S. to maintain "transparency" in its activities in Central Asia to avoid raising GOR suspicion of U.S. intentions toward a region in which Russia had strategic interests.
- 13. (C) Krol responded that the U.S. did not impose itself upon Central Asian nations but wanted normal political, economic, and trade relations with them. He stressed that the U.S. was not playing a great game. The Central Asian countries were not pawns but sovereign, independent states. Krol added that U.S. encouragement of alternate energy shipment routes, such as the trans-Caspian pipeline, were not anti-Russian but anti-monopoly.
- 14. (C) Krol noted that he hears regularly that Russia is pressuring Kyrgyzstan to close the Manas air base. He asked Peshkov if indeed Russia desired this when they knew full well how important the base is to prosecuting the Afghan war, which Russia has always claimed was in its interest to end. Krol stressed the U.S. did not intend Manas to be a permanent base but would be needed only as long as the fight in Afghanistan continued. Peshkov acknowledged the importance to Russia of ending the Afghanistan conflict successfully and the role of Manas, but he noted one needs to look at the overall context. The U.S. placing missiles in Central Europe and expanding NATO to Russia's borders leads many in Russia to question Manas.

- 15. (C) Peshkov commented that Russia's Central Asian partners had become more "pragmatic" in pursuing their economic interests, leading them to seek energy contracts with whoever offered the greatest profit at the lowest cost. He predicted that if China gave Central Asia better terms, more oil and gas could ultimately go east rather then to Russia and Europe.
- 16. (C) Peshkov said that Russia remained interested in increasing the amount of gas flowing from Central Asia in the winter, when demand was highest. Russia was ready to invest in expanding gas-related infrastructure, but required guarantees that it would reap some of the benefits.
- 17. (C) Peshkov explained the GOR was concerned about Central Asia's situation, which deprived Kazakhstan of drinking water and caused hydro-electric shortages in Kyrgyzstan. Especially poor infrastructure and a lack of economic development hit the rural regions especially hard, threatening to push disaffected people "toward the mullahs." Peshkov reflected on the fact that for many Central Asians, the economic situation has deteriorated since the Soviet collapse 17 years ago and they have seen a decline in basic infrastructure. Governments that need to finance construction projects might look to China as a source of funding, thereby allowing Beijing to means obtain a larger share of the region's energy resources.

Central Asian Migrants

18. (C) Peshkov said that while the financial systems in the Central Asian states might themselves be insulated from the effects of the world financial crisis, their economies would suffer as the Central Asians who work in Russia and Kazakhstan were already earning less and would find it harder to get employment as the construction industry slowed. As to the larger issue of Central Asian labor in Russia, Russians "understood there is a difficult situation in these strategic partners" and acted accordingly. There was, however, a difference between Central Asians who were in Russia legally and illegally, and the latter would be sent home.

Narcotics

- 19. (C) Peshkov explained that the GOR saw Tajikistan as the source of fifty percent of Central Asian narcotics entering Russia. While the CSTO's Operation Canal had some success, preventing narcotics trafficking was increasingly difficult as the traffickers developed a "better and better" organization for transporting narcotics from Central Asia, through Russia, to Europe. The Uzbek-Tajik border was especially porous and the border guards in the region were not capable of stopping the flow. Peshkov complained that while Russia was ready to train counter-narcotics officials from the region at its Domodedova facility, not many had gone through the program.
- 110. (C) Peshkov spoke of the necessity to maintain a "circle around Afghanistan" to contain the narcotics and terrorist threats emanating from the country. The present security circle consisted of the Central Asian states and Russia through the CSTO, with the support of China. Nikolaev added that Iran was doing its utmost to protect its border with Afghanistan against narcotics and other contraband, but "God knows" what Pakistan was capable of doing to gain control of its border.

Comment

¶11. (C) Our MFA interlocutors clearly exhibited traditional Russian neuralgia over the U.S. presence and activities in

Central Asia. Ironically the MFA's assessment of developments in the region squares pretty much with our own across the board. The Russians also made clear their apprehension of China's activities in Central Asia and fear it could be the major beneficiary of rivalry between Moscow and Washington. While we have tried to be transparent with Russia over our intentions and actions, perhaps we can look more closely at what more can be done in this area, such as engaging in more frequent consultations in capitals and at posts. Still, we harbor few illusions that any amount of transparency will overcome basic Russian suspicion of U.S. presence in their "near abroad." But we shouldn't give up trying.

 $\underline{\ }$ 112. (U) DAS Krol has cleared this cable. BEYRLE